

THURSDAY, MARCH 27, 2025

11:04 A.M.

ACTING SPEAKER HUNTER: The House will
come to order.

Good morning, colleagues.

In the absence of clergy, let us pause for a moment of
silence.

(Whereupon, a moment of silence was observed.)

Visitors are invited to join members in the Pledge of
Allegiance.

(Whereupon, Acting Speaker Hunter led visitors and
members in the Pledge of Allegiance.)

A quorum being present, the Clerk will read the
Journal of Wednesday, March 26th.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Madam Speaker, I move to dispense with the further reading of the Journal of Wednesday, March the 26th and that the same stand approved.

ACTING SPEAKER HUNTER: Without objection, so ordered.

MRS. PEOPLES-STOKES: Thank you, Madam. Colleagues and guests that are in our Chambers today, I would like to share a quote. This one comes from Rosa Parks. Many of us have heard her name before. She was a civil rights activist. Her words for us today: *When we fail -- We will fail when we fail to try. We will fail when we fail to try.* Again, these words from Rosa Parks.

Colleagues have on their desks a main Calendar. Before we do any housekeeping or introductions we'll be calling for the following committees to meet off the floor: Ways and Means followed by Rules. These committees are going to produce an A-Calendar of which we will take up today. Colleagues, it's actually the beginning process of our State budget today. We're gonna start with the Debt Service Bill, and once we receive that A-Calendar we will be moving forward with it. We will begin our floor work today, however, Madam Chair, with Calendar resolutions. They're on page 3. And there may be a need to announce further activity, but for sure there will be a Majority Conference at the end of our Session today.

That's the general outline, Madam Speaker. If we can begin now by calling the Ways and Means Committee to the Speaker's Conference Room. Thank you.

ACTING SPEAKER HUNTER: Thank you. Ways and Means Committee immediately to the Speaker's Conference Room. Ways and Means to the Speaker's Conference Room.

We have no housekeeping and no introductions.

Resolutions, page 3, the Clerk will read.

THE CLERK: Assembly Resolution No. 268, Ms. Glick.

Legislative Resolution memorializing Governor Kathy Hochul to proclaim March 30, 2025, as a [sic] Day of Zero Waste in the State of New York.

ACTING SPEAKER HUNTER: On the resolution, all those in favor signify by saying aye; opposed, no. The resolution is adopted.

THE CLERK: Assembly Resolution No. 269, Mr. Eachus.

Legislative Resolution memorializing Governor Kathy Hochul to proclaim March 30, 2025, as Doctors' Day in the State of New York.

ACTING SPEAKER HUNTER: On the resolution, all those in favor signify by saying aye; opposed, no. The resolution is adopted.

THE CLERK: Assembly Resolution No. 270, Mr. K. Brown.

Legislative Resolution memorializing Governor Kathy Hochul to proclaim October 2, 2025, as Custodial Worker's

Recognition Day in the State of New York.

ACTING SPEAKER HUNTER: On the resolution, all those in favor signify by saying aye; opposed, no. The resolution is adopted.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Madam Speaker, could you put the House at ease.

ACTING SPEAKER HUNTER: On Mrs. Peoples-Stokes' motion, the House stands at ease.

(Whereupon, at 11:08 a.m., the House stood at ease.)

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ACTING SPEAKER HUNTER: The House will come to order.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Madam Speaker, each member has an A-Calendar on their desks. I'd like to move to advance that Calendar.

ACTING SPEAKER HUNTER: On a motion by Mrs. Peoples-Stokes, the A-Calendar is advanced.

MRS. PEOPLES-STOKES: Thank you, ma'am. We will now take that bill up immediately.

ACTING SPEAKER HUNTER: Thank you.

Page 3, Rules Report No. 118, the Clerk will read.

THE CLERK: Assembly No. A03002, Rules Report No. 118, Budget Bill. An act making appropriations for the legal requirements of the State debt service and lease purchase payments and other special contractual obligations.

ACTING SPEAKER HUNTER: An explanation has been requested.

Mr. Pretlow.

MR. PRETLOW: Yes, Madam Speaker, and good morning, my -- my colleagues. Today not only is the opening day for the baseball season - go Yankees, go Mets - it's also the opening day for our budget season. This is the first of 11 bills, and it's the debt -- it's our -- it's us paying our bills. So today before us we have our first budget bill. This year -- this year's Debt Service Bill provides for \$10.7 billion in appropriations to support debt service payments totaling \$2.3 billion for the State fiscal year '25-'26. These payments are estimated to decrease by \$845 million from the prior year, and will remain in compliance with the limitations set forth by the Debt Reform Act of 2000. This bill is necessary for the State to make legally-required debt service payments on outstanding bonds and new State-supported bond issuances.

As many of my colleagues know, the appropriations contained in this bill pays for the State's general obligation bonds, personal income tax, revenue bonds, lease purchase agreements, special contractual payments and other special contractual obligations to public authorities. Debt service payments to support \$65.1 billion

in outstanding debt and allows the State to sustain transportation infrastructure, State University of New York, City University of New York and other educational facilities, economic development projects as well as housing and park initiatives across the State. In addition, total debt outstanding is expected to remain under the statutory debt cap for fiscal year 2026 and throughout the five-year Capital Plan.

With that, Madam Speaker, I am glad to ask -- to answer any specific questions regarding the State's obligation to pay its bills.

ACTING SPEAKER HUNTER: Mr. Ra.

MR. RA: Thank you very much, Madam Speaker.
Will Chair Pretlow yield?

ACTING SPEAKER HUNTER: Will the Chair yield?

MR. PRETLOW: Absolutely.

ACTING SPEAKER HUNTER: The Chair yields.

MR. RA: Thank you, and thank you for that explanation. And -- and I share your optimism for opening day as well as the opening day of our -- of our budget. Hopefully end of our budget process. I -- I think Mr. Farrell used to call it the -- the end of the beginning when we would take up this -- this bill. Obviously it's something we need to do before our fiscal year closes out, and I want to get into some of, you know, the payments in this and our overall status of our State's debt.

But just more generally, can you give me a sense of

where we are as we are here on Thursday? You know, Monday is -- at the end of the day will close out our current fiscal year. Where are we in the process in terms of us getting an on-time budget?

MR. PRETLOW: Well, the -- with regard to an on-time budget, this is the first step in that process. I can't speak for the other ten bills, I can only speak for the bill before us, and we're doing that today, three days early.

MR. RA: Sounds good. Do you anticipate that when we come back here on Tuesday -- as we know, there's a holiday on Monday, so when we come back on Tuesday that we will be acting on many of the other nine budget bills we'd like to see, or is it gonna be an extension situation?

MR. PRETLOW: That is my supreme desire. I prepared to stay here this weekend and work through the weekend to ensure that we have an on-time budget next Tuesday. I am optimistic, but I -- sometimes I'm considered overly optimistic.

MR. RA: Nothing wrong with being optimistic. As -- as a Met [sic] fan, this is the most optimistic day we have every year usually.

(Laughter)

So -- so I'll share your optimism.

So, one last thing just about the general status of things. Do -- do we have any sense just of a -- a total number that this budget is going to spend in terms of dollars once all is said and done?

MR. PRETLOW: The general capital spending,

\$21.2 billion. We're talking to debt issuance, which would be \$9.9 billion.

MR. RA: Well, I mean in terms of the total budget.

MR. PRETLOW: Oh, that's being negotiated. I mean, the -- the original was 257 billion, I believe, in total expenditures for the State but that's still under negotiations.

MR. RA: Okay. Well, we will look forward to one -- one of the things that you will get tired of hearing me ask as we're going through those bills is do we have a financial plan until -- until we finally get (inaudible/crosstalk).

MR. PRETLOW: We absolutely have a financial plan, Mr. Ra.

MR. RA: Well, not --

MR. PRETLOW: We actually have five years.

MR. RA: Not for an enacted budget, we do not yet.

I do -- I do want to lastly say, you know, we take up this bill a few days before the deadline. As you mentioned, it's an -- it's an important bill. It's one that's usually unchanged from the Executive because, you know, what we have to pay to -- to meet our obligations to these bondholders is -- is really what we have to pay to meet our obligation to these bondholders. But it is a budget bill, we're doing it in the light of day. It's been in print for actually several months now, so it is a transparent action by this Legislature and I hope we continue to see that as we get through this process. And I would reiterate our desire to be a part of the conversation, and feel free to

invite us into negotiations and help -- help, you know, reach final compromises on some of these outstanding issues that are -- that are being discussed.

So, in terms of debt service as we move on to the specifics, I would note, you know, we're being asked to start voting on a budget bill today. We don't have an enacted financial plan or full spending plan, a full idea of the revenues that are coming in, and we don't know what we're gonna see in the remaining bills. It's always my desire that we have the opportunity to have all that information before we -- we vote on bills. Like I said, the transparency that that gives both to the Legislature, to the public, I think is important.

But getting into the Debt Service Bill itself. So you said this bill appropriates \$10.7 billion?

MR. PRETLOW: Correct.

MR. RA: And -- and the enacted financial plan we believe will assume \$2.3 billion in cash debt service?

MR. PRETLOW: Yes.

MR. RA: Okay. And the year-to-year difference in terms of the -- the appropriation and the cash?

MR. PRETLOW: The 845- -- no, I'm sorry, 2.8 billion.

MR. RA: And then the 845- is the difference in the cash payment?

MR. PRETLOW: Yes.

MR. RA: Thank you. So, some of the things that

we've seen in obviously other parts of the budget do impact our -- our debt. The Governor proposed a six-round of short-term liquidity financing of \$3 billion, and the Debt Service Bill before us today has appropriation authority to cover the cost of this short-term financing option. I -- I think both Majorities here, the Senate, rejected that proposal. Do we think it's still necessary? Is it something that you think is going to be in the final budget?

MR. PRETLOW: Well, we hope it's not, that's why we rejected it. But the Governor is in control of the budget, as you well know.

MR. RA: Do you know if in the short-term the Department of Budget has any plans to issue any of the short-term debt that's previously been authorized?

MR. PRETLOW: No, I don't believe so.

MR. RA: Okay. And the Governor actually went a step further in her proposal to make that short-term liquidity financing permanent. I -- I think you share the concerns, but I'm not sure what justification there would be for making that permanent if -- if you know of one or why the Governor desires that permanent authority.

MR. PRETLOW: I really don't know why she wants it. As I said earlier, both Houses had rejected that and -- because we don't think that it's the direction that we want to go in. But if the -- it's very possible that it stays in the budget, because as I explained to many of my newer colleagues about *Pataki v. Silver* and what authority we have over the overall budget.

MR. RA: So, one of the things that the State has done in recent years is made debt pre-payments. According to the Comptroller's office, in the past five years we've -- we've made about \$22 billion which provide near-term savings to reduce budget gaps. The Comptroller, though, has expressed some concern that these actions prevent recurring debt burden relief and long-term savings, as the prepayments typically don't reduce our interest costs and may be artificially reduced year-over-year growth in both debt service and overall spending. Do you have any sense of whether you -- you believe this is -- these pre-payments are hurting or helping the State deal with our long-term debt?

MR. PRETLOW: Well, you're talking total debt retirement for this year is estimated to be about \$1.5 billion, which is an increase of \$869 million or a 146.3 percent increase from last fiscal year. You know, this increase is primarily due to prior payments, and I believe in prepaying bills. I think it's -- even though -- even if we're not saving that much in interest costs to get the bills or to get the overall debt down is always helpful.

MR. RA: Do we have any sense how the -- you know, in recent years we've obviously had -- we had -- we had interest rates very low for a while, then we had the inflation and interest rates coming up, how -- how some of those issues have impacted our -- our debt burden and -- and our, you know, our mix of -- of principal and interest that we're paying on our debt?

(Pause)

MR. PRETLOW: I'm being told that if there's debt issuance is actually remaining stable because what we're borrowing on one hand and we're paying on the -- on the other. So the overall debts remain the same, if not going down.

MR. RA: Okay. Do you know how much of the debt service in this bill is going towards principal and how much goes towards interest?

MR. PRETLOW: I do know the interest is...

(Pause)

Okay. The interest is \$855 million and the principal is \$1.483 billion.

MR. RA: So it's --

MR. PRETLOW: Knock off three zeros on both of those numbers.

(Laughter)

MR. RA: So I -- so roughly a little less than two-thirds, one-third.

MR. PRETLOW: Yes. Sixty-three -- it's actually 63.11 percent principal and 36.89 percent interest.

MR. RA: And do you -- do you know how that compares to the -- to the recent past? Is that -- is that about on par or is it -- is it more 50/50?

MR. PRETLOW: It's about what we've -- we've been doing, but we have been decreasing our overall debt over the past few years.

MR. RA: Okay. My -- my understanding that it was kind of more of a majority of it going towards interest last year as opposed to principal. So do you have any sense of what -- what may have changed in -- in the last fiscal year to -- to make the balance different?

MR. PRETLOW: Well, it may have something to do with the prepayments that we made. Those prepayments generally go against -- against the interest.

MR. RA: Okay. And then I want to get into just our overall debt picture of our State. The Governor projected the total outstanding debt to be \$65.1 billion in the Executive proposal. Have budget negotiations come to any agreement on how much the total outstanding debt will be projected to be for the 2026 fiscal year?

MR. PRETLOW: No, not at -- not at this point because we're still in the process of -- of negotiating the -- the rest of the State budget, and when -- at the end of this process the whole thing will come together and we will have an accurate number for you.

MR. RA: Okay. My -- my understanding is as we look into, you know, the out-years we're projecting to have debt outstanding of \$96.3 billion as we get into fiscal year 2030 --

MR. PRETLOW: Right.

MR. RA: -- which is a few years in the future, right? That's an accurate number?

MR. PRETLOW: That's accurate. It's 56.7 billion

now, and we take it out to 2030, it's 95.6 billion.

MR. RA: Now, I you -- you may not know this, but do you know how many states have total state budgets that are less than that number?

MR. PRETLOW: I'm really only concerned about New York State's budget, and what other -- other states do with their finances I really don't have any interest in even studying.

MR. RA: Well, in case you're interested --

(Laughter)

-- there are 43 states that have state budgets less than that \$96 billion.

MR. PRETLOW: But they're tiny states. This is the Empire State --

MR. RA: It is the Empire State.

MR. PRETLOW: -- and we are one of the larger states. We have the population, we have an extremely high personal income tax total which our -- our debt cap is based on, so we have the capacity for that. We're well under that -- that debt cap right now --

MR. RA: Yeah, so let's -- so let's get into --
(inaudible/crosstalk).

MR. PRETLOW: And we do the best we can --

MR. RA: -- with regard to the debt cap.

MR. PRETLOW: Can I finish -- Mr. Ra, can I finish my --

MR. RA: Please.

MR. PRETLOW: You can go.

MR. RA: No, go ahead.

MR. PRETLOW: I'm on your time, you go.

MR. RA: Well, I was gonna ask you, you mentioned the debt cap. So how much room do we have outstanding under the cap for -- for this fiscal year?

MR. PRETLOW: How much room do we have?

MR. RA: Yup.

MR. PRETLOW: In this fiscal year we have \$25.1 billion, and if you'll spread that out to 2030 we have 441 million.

MR. RA: Is that -- that when we get the closest to the cap in the out-years?

MR. PRETLOW: Yes, that's the closest we get. Next year it's 19.3 billion, the year after that's 12.3 billion, then 7.1 billion, and then 2.9 billion of remaining cap available.

MR. RA: Okay. And do you know -- I -- over, I believe, maybe two or three budget years during the pandemic we had some debt that our -- our prior Governor had excluded from the cap. Do -- do you know what that outstanding number is?

MR. PRETLOW: I think it's 13- -- what, it -- it started out at 13. billion -- 13.8 billion over the -- the cap, and by 2030 it'll be 13.1 billion. But that's off -- that's not part of the cap, and it had it do with the extraordinary circumstances surrounding COVID-19.

MR. RA: But if -- if that had been under the cap, we

-- we would be exceeding it, correct?

MR. PRETLOW: If that had been, but it wasn't.

MR. RA: Okay. As you know, the -- the last few years we have -- and -- and I may get into this later -- our former colleague, I reread a lot of the prior, you know, debt service debates and our former colleague who was very fond of the New York State Constitution got into some of the back-door borrowing and how much of our debt is actually approved by the voters of New York State in accordance with the constitutional provisions requiring that. But we've had a number of debt issuance that have gone out to the voters in recent years. A few years back we had the school bond one, and most recently we had in 2022 the voters approved a \$4.2 billion Environmental Bond Act. Do you know how much of that \$4.2 billion the State has borrowed so far?

MR. PRETLOW: Are you talking about -- are you referring to what you're referring to as back-door borrowing?

MR. RA: No, the -- under the Environmental Bond Act that we approved -- that the taxpayers approved back in 2022.

MR. PRETLOW: I think it's about 165 billion.

MR. RA: That -- that has been borrowed so far?

MR. PRETLOW: I think your buzzer's going off.

MR. RA: It did?

MR. PRETLOW: You have two minutes, go ahead.

MR. RA: No, I --

MR. PRETLOW: I'm multitasking, I'm doing her job

and her job and my job, you know?

MR. RA: No, I'm taking a second 15. Thank you.

Do you know how much has been allocated by -- by that program?

MR. PRETLOW: I do not have that number, but I will be sure to get it to you.

MR. RA: Okay. And do you have any sense of what the debt service cost will be once, you know, we've been allo -- or have borrowing that money under that Act?

MR. PRETLOW: I'm not sure. I do not know. No, I don't.

MR. RA: Okay. Now, I -- I did -- I talked about back-door borrowing, which, you know, a lot of our debt and -- and maybe you have a number. Do -- do you know how much of that debt outstanding number has been approved by the voters in New York State?

MR. PRETLOW: Well, Mr. Ra, I -- I have to disagree with your term of "back-door borrowing" because it's -- it colludes to what you're saying is that the voters did not vote on these debt issuances. And I have to remind you that we live in a republic and not a true democracy, and the 150 members of this Legislature represent the people of the State of New York and our votes count as their votes towards the betterance of this State. So it's not really non-voter-approved. The voters are approving of these issuances by us.

MR. RA: Okay. But do you know how -- how much

of that outstanding debt was voted on by --

MR. PRETLOW: By us?

MR. RA: -- the entire electorate of the State.

MR. PRETLOW: As -- as individuals, 2.6 billion.

MR. RA: 2.6 billion. Okay. Thank you. And -- and I -- I think this has obviously been an area for you, and I -- I read -- I read many of the prior debates. Like you said, I -- you know, I -- I know that Chair Farrell, Chair Weinstein, your predecessors, you know, often made that point about us representing our voters, which we certainly do. But I -- I do think that the constitutional provisions, you know, do anticipate approval by taxpayers and -- and we -- we have done that, like I said, in recent years with -- with the Environmental Bond Act, with -- with the Smart Schools Bond Act, I think it was called, a few years back. So it's -- it's something that we are able to do. And as -- as you said, you know, a very small portion of what our debt outstanding is has been approved in that manner.

One other question I have about our overall debt picture. In addition to our debt we're responsible for as a State, there's all kinds of authorities and -- and things of that nature that also have taken out debt. Do you have any sense of what that total number is that have [sic] been taken out by -- by all of the authorities that are out there that are under the jurisdiction of the State?

MR. PRETLOW: \$328 billion. That's the public -- total public authorities.

MR. RA: Okay. Thank you. And as you know, you

know, there is annually some reporting done but it seems like sometimes it's -- it lags a little bit because certain entities will get that information in to -- to the public authority's office and some -- some -- some don't. So I think that's a number we should also be -- be very aware of.

One -- I guess one other -- you know what? I think I'm -- I think I have no other questions for you. I think I'm gonna go on the bill.

MR. PRETLOW: Thank you, sir.

MR. RA: But I thank you. I look forward to many more -- did you want to finish your point from earlier?

MR. PRETLOW: Nah, I'm good.

(Laughter)

MR. RA: Well, I look forward to many more discussions in the near future regarding this year's budget as we get some certainty with -- with regard to the overall spending number.

So, when you talk about --

ACTING SPEAKER HUNTER: On the bill.

MR. RA: -- our debt as our State, the Comptroller's report on our financial condition that is done each year lists our per capita State-supported debt for the 2023-2024 as \$2,775. So that is every New Yorker, that would be their share of -- of our State's debt. But when you add into it that authority debt I was talking about, it's nearly \$17,000. Now, that's not directly taken out on behalf of the State, but at the end of the day, taxpayers of this State in some fashion

are responsible for -- for all of this debt.

Now, as was said, this bill is very important in terms of showing our bondholders that we can meet our financial obligations in terms of preserving our bond rating, in terms of being able to pay for all of the things we want to invest in the State, whether it's -- whether it's roads, whether it's clean water infrastructure. So I am going to be supporting the bill. But it's an important opportunity to have the conversation about the level of debt we have as a State. As I mentioned, that number will get up to, over the next several years, to being a larger number than the budgets, the entire budgets of 43 states. So we do need to think more about what level of debt we are leaving on -- on the next generation in New York State. And -- and we are the Empire State. We -- we do want to invest in -- in things, but we wanna do so in a sustainable manner so that we're not leaving a tremendous debt to -- to the next generations of New Yorkers.

Now, overall with this budget picture, \$252 billion was the Executive proposal. We're still under negotiations as to what the final number is going to be. There's still talk about potentially different tax increases, whether it's on businesses, whether it's on individuals, whether it's to fund things like the MTA. And we start today by passing our first budget bill, but we're doing so really without a full picture of what this is all going to look like. Now, this is one, you know, we have done early in the past. I went and looked back; there are times we passed this as early as, you know, really mid-March because it doesn't really change from the Executive proposal. But as

we get into next week, as we get into Tuesday, if we do end up in an extender situation like we have the last several years and then we start to see budget bills and we don't know whether certain provisions made it in, whether certain spending priorities made it in, what the overall number is, that's when this process gets to be very nontransparent. And I think that as we're adopting this budget, I would like to hope we will have those discussions on all of those nine other budget bills like this; there's sun shining in through the windows, it's not the middle of the night. The bills didn't get just dropped on our desks minutes before we're voting on them. That's the process that I think New Yorkers want to see when it comes to spending over \$250 billion of -- of their taxes.

So we talked about at the beginning, opening day, hope springs eternal. My hope is that next week when we come back we're passing budget bills. But if not, if we do have to do a short-term extender that we take really seriously the obligation to wrap up those negotiations and not always be thinking, *Hey, we have more time. You know, we have a few weeks before it's Passover, before it's Easter so let's just keep waiting* and then at the very last minute we'll -- we'll come to a deal like -- like we usually do. I don't think that's the right thing to do for transparency. I don't think that's the right thing to do for the members. I don't think it's the right thing to do for our staffs, who -- who end up, you know, sleeping in this building and not -- not -- well, at the chance they get any sleep -- and trying to deal with closing those deals, making sure the members all know what's --

what's going on. Let's do it in a transparent manner. Let's do it in the light of day and let's take seriously our obligation to make sure that we have a budget that is enacted, enacted on time and meets the needs of New Yorkers.

Thank you, Madam Speaker.

ACTING SPEAKER HUNTER: Thank you.

Mr. Smullen.

MR. SMULLEN: Thank you, Madam Speaker.

On the bill.

ACTING SPEAKER HUNTER: On the bill.

MR. SMULLEN: In listening to the discussion with my colleagues, it -- it occurred to me that this appears to be a technical discussion about one bill that's part of a ten-bill package that's gonna relate to spending on \$250-plus billion for the State of New York going forward. And that's really what the case has been in my six years, now my seventh year, the seventh budget that I've been honored to represent my people here in the Assembly. But I want to remind all, all who are listening and all who are here that there's a larger picture at play that we must keep in mind, and that's the debt that all citizens of the United States pays through the Federal debt and how that's going to affect New York. But how debt aggregates and how it -- its effects at the Federal level, at the State level, at the local level, at these authorities that borrow money that's guaranteed by the people of the State of New York and how we, as New Yorkers, have the highest debt load of any State in the Union. And although we're

only talking about \$10 million here, what we're really talking about is something much more. The larger picture is that the United States is swimming in a sea of debt, \$36 trillion. The Federal Government can borrow money to close a deficit and then it becomes part of the national debt. We're at \$36 trillion right now in the United States. The 20 million taxpayers of New York State, each have \$108,000 share per capita. Every man, woman and child, every citizen of New York has an obligation to pay their Federal taxes just as well as we are compelling our citizens right now to pay their State taxes for \$250 billion just this year. And what I'm hearing is largely indifference to the amount that we're paying. And that's very dangerous. If this were -- if this were a rocket ship, all the lights on the dash would be blinking red, saying "Danger, danger, danger." What would we do if the Federal Government reduced its share of funding to New York State? What would we do if there was an economic downturn in which tax receipts suddenly came up short? What if we whipped inflation and tax receipts came down because sales tax receipts didn't go up because of the Bidenomic inflation that we've been experiencing over the past few years? These are serious economic concerns that this Body, this Chamber, the people of New York and Assembly need to pay attention to. Because there's a lot going on inside this budget that we're gonna talk about this year. State-related debt is going to be 56 billion this year, but it's scheduled to grow to 65 billion next year and go more into the out-years. And our tax projections, are they going to catch up? Why aren't we saving money

so we can pay it down or save it for an even greater rainy day fund? That was in none of the budgets that I saw coming into this day right now. If you're looking at our per capita debt, each man, woman and child in New York has almost \$3,000 of per capita debt and it's going to grow. Why don't we pay some of that off so that they don't have to pay it in the out-years? Why do our children have to be saddled with this debt? Because it's not just the \$56- to \$65 billion debt, it's the \$325 billion that public authorities have. That's almost a third of a trillion dollars.

So when you add it all up it is indeed a red light warning situation for New York State. And it is our obligation as legislators to do strategic planning for the future of New York State. And that planning should take into account the fiscal realities of our financial situation, of our financial plan, not only last year but this year and the years going forward. And I don't think it's proper for the United States as a -- as a whole to be spending money at World War II levels. The COVID pandemic is long over. The spending that was borrowed to pay for COVID-era spending is over. It's time that we, as the Legislature, wised up collectively and reduce our spending so we don't have to continue to borrow money. Because for the -- the people that pay taxes, all tax money is fungible. You can't tell someone that's paying for their fire district, that's paying for their county taxes, that they're paying for their State taxes, that they're paying for their Federal taxes that debt doesn't matter. Because it's proved out by the outmigration, particularly in rural areas of New York, that people are

leaving for other states that have other economic fortunes that are better than New York State. The American Legislative Exchange Council indeed says that New York ranks last in terms of economic outlook. So we're number one in taxes and -- and number 50 in economic outlook.

I think it's time for this Body, starting with this budget, starting with this bill, starting today, to take a much more serious look at how taxes and debt and regulation affect our State because it does all matter. It matters very dearly to those citizens who pay.

So, all of those who are within earshot, the members here and the members that are not here listening to this speech, I urge you to vote no on this bill and very carefully consider as we go through our budget negotiations for the next period of time that we slim things down, that we reduce our overall debt burden, and that we take into account what our people must pay. Thank you, Madam Speaker.

ACTING SPEAKER HUNTER: Thank you.

Mr. Manktelow.

MR. MANKTELOW: Thank you, Madam Speaker.

Would the Chair yield for a question or two?

ACTING SPEAKER HUNTER: Will the Chair yield?

MR. PRETLOW: Did you say "a" question? That's one, right?

ACTING SPEAKER HUNTER: The Chair yields.

MR. MANKTELOW: I'll keep it as low as I can.

Thank you, Chair.

Talking about the debt package, is there any other New York State debt that's not in this package?

MR. PRETLOW: No. No. Legally, we -- we can only get debt through bonding, and this is what this is, so...

MR. MANKTELOW: So there's -- there's no other outstanding debt out there?

MR. PRETLOW: Not to my knowledge.

MR. MANKTELOW: Okay. How about Federal debt?

MR. PRETLOW: That's the third question.

MR. MANKTELOW: Is the -- is there Federal debt in this package?

MR. PRETLOW: No. Federal debt is a debt owed by the -- by the Feds. As your colleague just mentioned, the Federal Government has a large debt, but this is debt that's generated by bonds issued by the State of New York and authorities of the State of New York.

MR. MANKTELOW: Okay. So just -- just help me understand this a little bit, then. If this is the total debt package of New York State, do -- do we not owe \$7 billion to the Federal Government for unemployment insurance money that we borrowed?

MR. PRETLOW: That's -- that -- we're -- we're --

that's in here somewhere.

MR. MANKTELOW: That's in this package?

MR. PRETLOW: We're paying that off this year, as a matter of fact.

MR. MANKTELOW: No, no. But is it in this package?

MR. PRETLOW: No.

MR. MANKTELOW: So that \$7 billion worth of debt is not in this number?

MR. PRETLOW: No.

MR. MANKTELOW: So there is more than just this package as far as debts?

MR. PRETLOW: No. This is bonded debt. We didn't -- we didn't bond the \$7 billion, we just borrowed it.

MR. MANKTELOW: Okay. But it's -- but it's still debt --

MR. PRETLOW: Yes.

MR. MANKTELOW: -- to the residents of the New York State?

MR. PRETLOW: Yes, it is debt.

MR. MANKTELOW: All right. I appreciate you answering the question.

And Madam Speaker, on the bill.

ACTING SPEAKER HUNTER: On the bill.

MR. MANKTELOW: So a little while ago we were

talking about debt. We were thinking about all the State debt and, you know, should we vote yes on this, should we vote no on this. And as my colleague said earlier, that -- what -- what is the real package?

And let's think about this is not from the Federal level. Let's not think about this from the State level, the county level, the town level, the village level. Any form of government in New York State. Let's think about our -- our families back home. Let's think about men and women and families and seniors and young people that are going to be strapped with this debt long-term. Is that not why we try to get rid of our debt? Do any of us back home continue to build more and more and more debt? No. We try to cut our debt so we can save money long-term. Much like in a business, debt is debt. Debt kills a business. Cash flow is the king. And we're not doing that here.

I want to support this bill because, yes, I think many of us, if not all of us, want to pay our debts that New York State owes. But the reason we're voting no is in my seven years, not one time have we ever held the line in our budget. Not one time have we really talked about cutting spending, saving our taxpayers money so they can keep their money in their pocket.

So, yes, in theory we will totally support paying our New York State bills because we need to do that. But at the same time, voting no lets the people know back home that we're not getting rid of our debt fast enough. And that's the reason I'm speaking. It's not about us here, it's about our families and our loved ones back home. So let's do everything we can in the next several years to zero

out that debt, because that allows us to breathe as New Yorkers, it allows the State to spend money in different ways, just talking about the interest of the dollars that we owe. Where else could we put that money? We could put it to low-income housing, new businesses, helping to pay for other things across the State. Supporting our schools, supporting our -- our colleges, supporting our loved ones. Anything that we can do and that I can see to getting rid debt at a faster pace, I will absolutely support.

So I just want to say thank you, Chair, for answering my couple of questions. Thank you, Madam Speaker, for allowing me to say a few words. But I will definitely be voting no, not because I don't want to pay the debt, but we're not doing it fast enough. Thank you, Madam Speaker.

ACTING SPEAKER HUNTER: Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: A Party vote has been requested.

Mr. Gandolfo.

MR. GANDOLFO: Thank you, Madam Speaker. The Republican Conference will be generally opposed to this budget bill before us, but any members who wish to vote yes can do so at their desk.

ACTING SPEAKER HUNTER: Thank you.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Thank you, Madam Speaker. The Majority Conference is gonna be in favor of this piece of legislation; however, there may be a few that would desire to be an exception. They can feel free to do so at their seats. Thank you.

ACTING SPEAKER HUNTER: Thank you.

The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? The Clerk will announce the results.

(The Clerk announced the results.)

The bill is passed.

Mr. Gandolfo for the purposes of an introduction.

MR. GANDOLFO: Thank you, Madam Speaker. It is always great when we are joined by a former member of our House, and today we get to welcome back Missy Miller, who represented the 20th Assembly District down on Long Island. And she is currently serving as a -- on the Hempstead Town Council. You don't need me to tell you this, her reputation precedes her, but she has been a tireless advocate for people with disabilities, especially children, and she is here today advocating for medically complex and medically fragile children with her son Oliver.

So, Madam Speaker, would you please give Missy Miller the welcome back to her House that she deserves.

ACTING SPEAKER HUNTER: Yes.

On behalf of Mr. Gandolfo, the Speaker and all the

members, welcome back, Missy and Oliver. Wonderful to see you. We welcome you back to the Assembly Chamber. You know you always have the privileges of the floor as being an ex-member. So thank you very much for joining us today. Good to see you.

(Applause)

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Madam Speaker, do you have any further housekeeping or resolutions?

ACTING SPEAKER HUNTER: We have a number of resolutions before the House. Without objection, these resolutions will be taken up together.

On the resolutions, all those in favor signify by saying aye; opposed, no. The resolutions are adopted.

(Whereupon, Assembly Resolution Nos. 271-276 were unanimously approved.)

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Would you please call on Member Clark for the purposes of an announcement.

ACTING SPEAKER HUNTER: Ms. Clark for the purposes of an announcement.

MS. CLARK: Thank you, Madam Chair [sic]. I am announcing that there will be a Majority conference immediately following Session in the Speaker's Conference Room. We have conference immediately following Session. Thank you.

ACTING SPEAKER HUNTER: Thank you.

Immediate Majority conference in the Speaker's Conference Room upon the adjournment of Session.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: I now move that the Assembly stand adjourned until Friday, March the 28th, tomorrow being a legislative day, and that we reconvene at 9:00 a.m., April the 1st, Tuesday being a Session day.

ACTING SPEAKER HUNTER: On Mrs. Peoples-Stokes' motion, the House stands adjourned.

(Whereupon, at 12:14 p.m., the House stood adjourned until Friday, March 28th, that being a legislative day, and to reconvene on Tuesday, April 1st at 9:00 a.m., that being a Session day.)